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LEGISLATIVE HISTORY

Public Law 665—81st Congress

Chapter 592—2d Session

S. 2996

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LOANS. Amends Public Law 38 - 81st Congress so as to authorize loans, with reasonable security, as determined by the Secretary, credit of a type which was available in 1941 in such area by the Corporation, if there is need for such credit; except that no loan shall be made (A) after three years from date of this law, (B) in excess of \$10,000 each at one time, (C) in excess of \$20,000 per borrower, and (D) which would exceed \$2,000,000 aggregate principal amount of loans outstanding under this paragraph.

## INDEX AND SUMMARY OF HISTORY ON S. 2996

February 6, 1950      S. 2996 was introduced by Senator Magnuson and was referred to the Senate Committee on Agriculture and Forestry. Print of the bill as introduced.

    H. R. 7149 was introduced by Rep. Horan and was referred to the House Comm. on Agriculture. Print of the bill as introduced. (Similar bill).

April 19, 1950      Senate Committee reported S. 2996 without amendment. Senate Report 1510. Print of the bill as reported.

May 8, 1950      H. R. 8418 was introduced by Rep. Horan and was referred to the House Comm. on Agriculture. (Similar bill).

May 23, 1950      H. R. 8613 was introduced by Rep. Horan and was referred to the House Comm. on Agriculture. Print of the bill as introduced. (Companion bill).

June 8, 1950      Senate debated and passed S. 2996 with amendment.

June 13, 1950      Print of S. 2996 as referred to the House Committee on Agriculture.

July 24, 1950      House Committee reported H. R. 8613 with an amendment. House Report 2715. Print of the bill as reported.

July 27, 1950      House debated and passed S. 2996 as referred. H. R. 8613 was laid on the table in view of passage of S. 2996.

August 5, 1950      Approved. Public Law 665.







IN THE SENATE OF THE UNITED STATES

FEBRUARY 6 (legislative day, JANUARY 4), 1950

Mr. MAGNUSON introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

---

**A BILL**

To authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       *That paragraph (2) of the first section of the Act of April*  
4       *6, 1949 (Public Law 38, Eighty-first Congress), is amended*  
5       *to read as follows:*

6           “(2) loans to make available in any area or region  
7           credit of a type formerly made available in such area  
8           or region by the Corporation if the Secretary finds that  
9           there is a continued need for such credit and that such  
10          credit is not readily available from other sources; and”.

81<sup>ST</sup> CONGRESS      **S. 2996**  
2<sup>d</sup> SESSION

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## **A BILL**

To authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

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By Mr. MAGNUSON

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FEbruary 6 (legislative day, JANUARY 4), 1950  
Read twice and referred to the Committee on  
Agriculture and Forestry

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 6, 1950

MR. HORAN introduced the following bill; which was referred to the Committee on Agriculture

---

**A BILL**

To authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That paragraph 2, section 1, of the Act of April 6, 1949  
4       (Public Law 38, Eighty-first Congress), is amended by  
5       adding the following:

6           “(2) loans to make available in any area or region  
7           credit of a type formerly made available in such area  
8           or region by the Corporation, if the Secretary finds  
9           that there is a continued need for such credit and that  
10          such credit is not readily available from other sources;  
11          and, ”.

81<sup>ST</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R. 7149**

**A BILL**

To authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

By Mr. HORAN

FEBRUARY 6, 1950

Referred to the Committee on Agriculture





# Calendar No. 1522

81ST CONGRESS }  
2d Session }

SENATE

{ REPORT  
No. 1510

## LOANS SERVICED BY REGIONAL AGRICULTURAL CREDIT CORPORATION

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APRIL 19 (legislative day, MARCH 29), 1950.—Ordered to be printed

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Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry, submitted the following

### R E P O R T

[To accompany S. 2996]

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 2996) to authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation, having considered same, report thereon with the recommendation that it do pass favorably without amendment.

#### GENERAL STATEMENT

This proposed legislation would authorize loans only in areas formerly serviced by RACC, in which there is now a need for credit which cannot be readily obtained. The need for loans in the aggregate amount to approximately \$1,000,000 in this particular area. The loans would be made from the revolving fund under Public Law 38, Eighty-first Congress. The administrative expenses would be paid from the same fund, and this legislation would require no independent appropriation.

Public Law 38, Eighty-first Congress, dissolved the Regional Agricultural Credit Corporation, and transferred all assets and liabilities of the Corporation to the Secretary of Agriculture. The funds transferred constitute a revolving fund created under the Farm Credit Act of 1933, as amended. Public Law 38, made these funds available for loans to (1) bona fide fur farmers, (2) so-called disaster loans, (3) liquidation of out-standing loans of RACC, and (4) loans to farmers and stockmen for any agricultural purpose in any area where the Secretary of Agriculture finds that a production disaster has caused need for agricultural credit not readily available from other sources. Public Law 38 has principally been used in connection with disaster loans.

There are certain areas which have not suffered a recent production disaster but in which the farmers are in need of credit not readily

## 2 LOANS BY REGIONAL AGRICULTURAL CREDIT CORPORATION

available from cooperatives or private sources on terms and conditions which were formerly served by RACC.

A copy of the report of the Department of Agriculture, dated April 4, 1950, and having no objection to the passage of this legislation, is attached hereto and made a part of said report.

### CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

[PUBLIC LAW 38—81ST CONGRESS]

[CHAPTER 49—1ST SESSION]

[H. R. 2101]

AN ACT To abolish the Regional Agricultural Credit Corporation of Washington, District of Columbia, and transfer its functions to the Secretary of Agriculture, to authorize the Secretary of Agriculture to make disaster loans, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) there are hereby transferred to the Secretary of Agriculture (hereinafter referred to as the Secretary) all the functions of the Regional Agricultural Credit Corporation of Washington, District of Columbia, including but not limited to functions with respect to—

(1) loans to bona fide farmers as provided for in the last proviso in the paragraph headed "Regional Agricultural Credit Corporation of Washington, District of Columbia," in title II of the Government Corporations Appropriation Act, 1949 (Public Law 860, Eightieth Congress);

[(2) loans under authorization by the Secretary for the Regional Agricultural Credit Corporation of Washington, District of Columbia, to reenter an area or region where a production disaster has occurred, as provided for in the proviso in section 2 of the Department of Agriculture Appropriation Act, 1949 (Public Law 712, Eightieth Congress); and]

(2) *loans to make available in any area or region credit of a type formerly made available in such area or region by the Corporation if the Secretary finds that there is a continued need for such credit and that such credit is not readily available from other sources; and*

(3) the liquidation of all other loans heretofore made by the Regional Agricultural Credit Corporation of Washington, District of Columbia, and of all assets, contracts, property, claims, rights, and liabilities relating thereto.

(b) There are hereby transferred to the Secretary the functions of the Farm Credit Administration and the Governor thereof with respect to the Regional Agricultural Credit Corporation of Washington, District of Columbia.

(c) The Regional Agricultural Credit Corporation of Washington, District of Columbia, is hereby dissolved. The Secretary of the Treasury shall cancel the outstanding certificates of stock of the Corporation.

(d) All assets, funds, contracts, property, claims, and rights, all records, and all liabilities of the Corporation are hereby transferred to the Secretary. The revolving fund created by section 84 of the Farm Credit Act of 1933, as amended (12 U. S. C. 1148a), shall be available to the Secretary for the performance of the functions specified in paragraphs (a) (1), (2), and (3) of the section, including administrative expenses in connection therewith: *Provided*, That for the fiscal year 1949 the limitations on the administrative expenses of the Corporation with respect to the said functions shall be applicable to the Secretary.

(e) All personnel of the Corporation (excluding personnel of the Farm Credit Administration serving as directors or officers of the Corporation), and such of the personnel of the Farm Credit Administration as are engaged principally in the work of the Corporation, shall be transferred to the offices or agencies designated by the Secretary to carry out the functions herein transferred, to the extent that he determines that such personnel are qualified and necessary therefor.

(f) The Secretary may carry out the functions herein transferred and the authority conferred upon him by this Act through such officers or agencies in or under the Department of Agriculture as he may designate.

\* \* \* \* \*

DEPARTMENT OF AGRICULTURE,  
Washington, D. C., April 4, 1950.

Hon. ELMER THOMAS,  
*Chairman, Committee on Agriculture and Forestry,  
United States Senate.*

DEAR SENATOR THOMAS: This is in response to your request for a report from this Department on S. 2996, entitled "A bill to authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation." This Department has no objection to the enactment of the proposed legislation.

Public Law 38, Eighty-first Congress, approved April 6, 1949, dissolved the Regional Agricultural Credit Corporation of the District of Columbia and transferred all of the assets and liabilities of the Corporation to the Secretary of Agriculture. The funds transferred constituted a revolving fund under the provisions of section 84 of the Farm Credit Act of 1933, as amended (12 U. S. C. 1148 (a)). The act of April 6, 1949, made those funds available for (1) loans to bona fide fur farmers; (2) "loans under authorization by the Secretary for the Regional Agricultural Credit Corporation of Washington, District of Columbia, to reenter an area or region where a production disaster has occurred as provided for in the proviso in section 2 of the Department of Agriculture Appropriation Act of 1949"; (3) for the liquidation of outstanding loans of the Regional Agricultural Credit Corporation of Washington, District of Columbia; and (4) for loans to farmers and stockmen for any agricultural purpose in any area where the Secretary finds that a production disaster has caused a need for agricultural credit not readily available from other sources.

Since the enactment of Public Law 38, the principal use of the revolving fund has been in connection with disaster loans described in item 4 above. There are, however, certain areas which have not suffered a recent production disaster in which the farmers are in need of credit not readily available from cooperative or private sources on reasonable terms and conditions which were formerly served by the Regional Agricultural Credit Corporation. An outstanding example of this type of situation is in the Wenatchee-Okanogan area of the State of Washington. In 1941 following several seasons of unprofitable operations, the fruit growers in this area were without an adequate source of credit to continue their operation. The Regional Agricultural Credit Corporation of Salt Lake City, Utah, later merged with the Regional Agricultural Credit Corporation of Washington, District of Columbia, made loans to these growers from 1941 to 1946 in excess of \$34,000,000. These individual loans were all repaid and the fruit growers began the establishment of a cooperative source of credit by purchasing stock in the Growers' Credit Corporation. There are at this time, however, between 250 and 300 fruit growers in the area who are unable to purchase the necessary qualifying shares of stock and who do not have the required reserve of operating capital to be eligible for loans from the cooperative credit source. Since this plan of the growers for providing themselves with adequate and continuing source of credit was for the purpose of avoiding the necessity of reliance on Federal financing in the future, it may be said that the present need for credit is one which has continued since the Regional Agricultural Credit Corporation first entered the area. It might also be said that the fact that the plan has not been completely successful is due in part to the withdrawal from the area of Regional Agricultural Credit Corporation loans before the growers' own source of credit was firmly established.

It will be noted that the growers in this area have not suffered from any production disaster nor can these growers generally be said to be in an economic emergency. Under the proviso in section 2 of the Department of Agriculture Appropriation Act of 1949, the Regional Agricultural Credit Corporation was authorized to reenter an area where an economic emergency or production disaster had occurred, but when Public Law 38 was enacted there was eliminated from item 2 of section 2 thereof the phrase "economic emergency." The result was to limit the Secretary of Agriculture's authority to reenter an area formerly served by the Regional Agricultural Credit Corporation to those areas or regions where credit was formerly made available by reasons of a production disaster. We believe

#### 4 LOANS BY REGIONAL AGRICULTURAL CREDIT CORPORATION

that the types of cases illustrated above are as worthy of consideration for the extension of credit as those formerly served by the Regional Agricultural Credit Corporation because of a production disaster.

We construe the proposed legislation to authorize loans only in areas formerly served by the Regional Agricultural Credit Corporation in which there is now a need for credit which cannot readily be obtained from other sources only if there has been a continuing need for the type of credit formerly made available by the Regional Agricultural Credit Corporation. In other words, the Secretary would not be authorized under this amendment to make loans in areas where loans were formerly made by reason of drought or economic emergency unless the present need for credit is a need which has continued from the time when the Regional Agricultural Credit Corporation last made credit available in the area. So administered, the bill may be said to authorize the completion of a task previously undertaken by the Regional Agricultural Credit Corporation.

At the present time, there appears to be a need for loans in the aggregate amount of approximately \$1,000,000 in the Wenatchee-Okanogan area which would be made from the revolving fund administered by the Secretary under Public Law 38, if the amendment is enacted. The administrative expenses for such loans are also to be paid from the revolving fund. The bill would, therefore, require no independent appropriation.

The Bureau of the Budget advises that from the viewpoint of the President's program there is no objection to the submission of this report.

Sincerely yours,

K. T. HUTCHINSON, *Acting Secretary.*



IN THE SENATE OF THE UNITED STATES

FEBRUARY 6 (legislative day, JANUARY 4), 1950

Mr. MAGNUSON introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

APRIL 19 (legislative day, MARCH 29), 1950

Reported by Mr. THOMAS of Oklahoma, without amendment

---

**A BILL**

To authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

1       *Be it enacted by the Senate and House of Representa-  
2 tives of the United States of America in Congress assembled,*  
3       That paragraph (2) of the first section of the Act of April  
4       6, 1949 (Public Law 38, Eighty-first Congress), is amended  
5       to read as follows:

6           “(2) loans to make available in any area or region  
7       credit of a type formerly made available in such area  
8       or region by the Corporation if the Secretary finds that  
9       there is a continued need for such credit and that such  
10      credit is not readily available from other sources; and”.

81st CONGRESS  
2d Session

**S. 2996**

[Report No. 1510]

**A BILL**

To authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

By Mr. MAGNUSON

FEBRUARY 6 (legislative day, JANUARY 4), 1950

Read twice and referred to the Committee on Agriculture and Forestry

APRIL 19 (legislative day, MARCH 29), 1950

Reported without amendment





**IN THE HOUSE OF REPRESENTATIVES**

**MAY 8, 1950**

Mr. HORAN introduced the following bill; which was referred to the Committee on Agriculture

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**A BILL**

To authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That paragraph (2) of the first section of the Act of April  
4       6, 1949 (Public Law 38, Eighty-first Congress), is amended  
5       to read as follows:

6           “(2) loans to make available in any area or region  
7           credit of a type formerly made available in such area or  
8           region by the Corporation if the Secretary finds that  
9           there is a continued need for such credit and that such  
10          credit is not readily available from other sources; and”.

81<sup>ST</sup> CONGRESS  
2d SESSION

**H. R. 8418**

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**A BILL**

To authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

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By Mr. HORAN

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MAY 8, 1950

Referred to the Committee on Agriculture





81ST CONGRESS  
2D SESSION

# H. R. 8613

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## IN THE HOUSE OF REPRESENTATIVES

MAY 23, 1950

Mr. HORAN introduced the following bill; which was referred to the Committee on Agriculture

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## A BILL

To authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That paragraph 2, section 1, of the Act of April 6, 1949  
4       (Public Law 38, Eighty-first Congress), is amended to read  
5       as follows: "Loans to make available to the owners or op-  
6       erators of established farms in any area or region, credit of  
7       a type formerly made available in such area or region by  
8       the Corporation, if the Secretary finds that there is a con-  
9       tinued need for such credit and such credit is not readily  
10      available from other sources: *Provided*, That no such loan

1 shall be made after a period of five years from effective date  
2 of this Act and that no single loan to any one borrower shall  
3 exceed \$10,000, and no loan shall be made to a borrower  
4 which will create a total indebtedness of principal and  
5 accrued interest under this Act in excess of \$20,000, and  
6 the aggregate of the outstanding principal obligations under  
7 this paragraph at any one time shall not exceed \$2,000,000;  
8 and".

9 That section 2 (a) of the Act of April 6, 1949, is  
10 amended by adding after the second sentence of said sub-  
11 section the following: "All loans made under this Act shall  
12 carry the full personal liability of the borrower and shall be  
13 reasonably secured by such security as may be determined by  
14 the Secretary."

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**A BILL**

To authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

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By Mr. HORAN

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MAY 23, 1950

Referred to the Committee on Agriculture





and that would be the condition—to bring into the program this additional part of the tobacco industry, in order that the acreage may be reduced, and the heavy overproduction may be avoided, which is itself the result of conditions produced by World War II, which I have just mentioned.

**THE VICE PRESIDENT.** Is there objection to the present consideration of the bill?

**MR. SALTONSTALL.** Mr. President, reserving the right to object, may I ask the Senator from Florida one more question?

**MR. HOLLAND.** I yield.

**MR. SALTONSTALL.** Is it not true that prior to the war, and prior to the Indonesian situation, most of this business was in Massachusetts and Connecticut?

**MR. HOLLAND.** My understanding is that the business in Florida and Georgia is much the older of the two, but that the business in Massachusetts and Connecticut has been in recent years twice as great in acreage as the business in Georgia and Florida. But I do not believe there is any situation here of disparity of interest between the two areas. To the contrary, I may say to the Senator that there was only one grower who appeared in opposition to this program, and he admitted that the business of the two corporations which he represented belonged entirely to the offshore producers, the Indonesian producers who had come in during the war.

**THE PRESIDING OFFICER.** Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2980) to amend the Agricultural Adjustment Act of 1938 with respect to cigar-wrapper type 61 tobacco and cigar-wrapper type 62 tobacco which had been reported from the Committee on Agriculture and Forestry, with amendments, on page 3, line 5, after the word "section", to strike out:

The Secretary may appoint a committee of producers of type 62 tobacco which, in accordance with regulations issued by the Secretary, shall assist other committees and agencies utilized in the administration of marketing quotas pursuant to this act.

On page 5, line 11, after the word "regulations", insert "and"; on the same page, line 16, after the word "context", strike out "indicates;" and insert "indicates"; and after line 17 to strike out:

(7) The Secretary shall appoint a committee of producers of type 61 tobacco which, in accordance with regulations issued by the Secretary, shall assist the other committees and agencies utilized in the administration of marketing quotas pursuant to this act.

So as to make the bill read:

*Be it enacted, etc.*, That section 301 (b) of the Agricultural Adjustment Act of 1938, as amended (U. S. C., title 7, sec. 1301 (b)), is amended (a) by amending paragraph (7) so as to provide marketing years for tobacco as follows:

"Tobacco (flue-cured and cigar-wrapper types 61 and 62), July 1-June 30;

"Tobacco (other than flue-cured and cigar-wrapper types 61 and 62), October 1-September 30;"

(b) By amending paragraph (10) (B) to read as follows:

"(B) 'Normal supply' in the case of tobacco shall be a normal year's domestic consumption and exports, plus, as an allowance for a normal carry-over, 65 percent of a normal year's exports and the following percentage of a normal year's domestic consumption: 175 percent in the case of kinds of tobacco other than cigar-wrapper types 61 and 62; 150 percent in the case of cigar-wrapper type 61 tobacco; and 140 percent in the case of cigar-wrapper type 62 tobacco."

(c) By amending paragraph (15) by changing the period following the words, "Cigar-filler tobacco, comprising type 41" to semicolon, and by adding at the bottom of the list contained therein the following:

"Cigar-wrapper type 61 tobacco;

"Cigar-wrapper type 62 tobacco."

Sec. 2. Section 313 of the Agricultural Adjustment Act of 1938, as amended (U. S. C., title 7, sec. 1313), is amended by adding at the end thereof the following new subsections:

"(1) Notwithstanding any other provisions of this act, in the case of cigar-wrapper type 62 tobacco, the Secretary, on the basis of the national average yield per acre during the 5 years last preceding the year in which the national marketing quota is proclaimed, adjusted for abnormal conditions of production, shall convert such national marketing quota into a national acreage allotment. The national acreage allotment shall be apportioned to farms on the basis of the factors set forth in subsection (g) of this section.

"(j) Notwithstanding any other provisions of this act, it is hereby provided, with respect to cigar-wrapper type 61 tobacco—

"(1) The Secretary, on the basis of the national average yield per acre of cigar-wrapper type 61 tobacco during the 5 years last preceding the year in which the national marketing quota is proclaimed, adjusted for abnormal conditions of production, shall convert such national marketing quota into a national acreage allotment;

"(2) the national acreage allotment, less the acreage to be allotted pursuant to paragraph (3) hereof, shall be apportioned on the basis of the factors set forth in subsection (b) of this section, using past acreage (harvested and diverted) of the producer in lieu of past marketing of tobacco, among those persons who have produced cigar-wrapper type 61 tobacco on farms owned or leased by them in one or more of the five calendar years immediately preceding the year for which such allotment is established: *Provided*, That no allotment established pursuant to this paragraph shall be less than the smaller of (1) 20 percent of the average acreage allotment for type 61 tobacco (i. e., the acreage obtained by dividing the national acreage allotment by the total number of allotments to producers of such tobacco), or (2) the annual average number of acres actually devoted by the producer to the production of such tobacco during such 5 years. In addition to other factors to be used as a basis for apportioning allotments to producers, consideration shall be given to changes in production resulting from the use of different varieties of seed and to the effect thereof upon the acreage of tobacco which can reasonably be handled with facilities available to and normally used by the producer. Each producer shall designate the farm or farms on which the allotment of tobacco established for him will be produced;

"(3) not in excess of 5 percent of the national acreage allotment shall be apportioned, on the basis of the factors set forth in subsection (c) of this section, among persons who will operate farms on which they will produce such tobacco during the year for

which the allotment is established but who have not produced such tobacco in any one of the preceding 5 years;

"(4) the acreage, production, and yield of type 61 tobacco for the 1950 crop shall be excluded in establishing allotments for producers;

"(5) acreage allotments and production history shall be transferred only in such manner and subject to such conditions as the Secretary may prescribe by regulations; and

"(6) the terms 'farm allotment' and 'farm marketing quota', wherever used in this act or the Agricultural Act of 1949, shall be construed for purposes of type 61 tobacco to mean the allotment or the quota established for a producer, whichever the context indicates."

Sec. 3. That sentence of section 313 (g) of the Agricultural Adjustment Act of 1938, as amended (U. S. S., title 7, sec. 1313 (g)) which reads "The actual production of the acreage allotment established for a farm pursuant to this subsection shall be the amount of the farm marketing quota" is amended by striking out the words "pursuant to this subsection."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### PATENT IN FEE TO ANSON HAROLD PEASE

The Senate proceeded to consider the bill (S. 2510) to authorize and direct the Secretary of the Interior to issue to Anson Harold Pease, a Crow allottee, a patent in fee to certain lands, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 2, after line 3, to insert section 2, so as to make the bill read:

*Be it enacted, etc.*, That, upon application in writing, the Secretary of the Interior is authorized and directed to issue to Anson Harold Pease, Crow allottee No. 1322, a patent in fee to the following-described lands in the State of Montana: Lot 8, south half northeast quarter, southeast quarter southwest quarter, southeast quarter of section 11; lots 1, 3, northeast quarter, east half northwest quarter of section 14, lot 3, southeast quarter southeast quarter of section 15, township 1 south, range 27 east, principal meridian, Montana, containing six hundred forty-nine and fifty-five one-hundredths acres, more or less.

Sec. 2. (a) The lands herein described shall not be sold after the date of enactment of this act to any purchaser, other than the Crow Tribe or a member thereof, unless (1) at least 60 days prior to such sale the superintendent of the Crow Agency shall have been served with notice of the terms thereof and a copy of such notice, together with a description of the lands, shall have been posted by the superintendent in a conspicuous public place at such agency and have remained posted for a period of 60 days, and (2) prior to the expiration of such 60 days no bona fide offer in writing to purchase such land upon the terms specified in such notice, or upon terms more favorable to the owner shall have been made by the Crow Tribe or any member thereof and a copy thereof served upon the superintendent of the Crow Agency.

(b) A certificate of the superintendent of the Crow Agency stating that notice of the proposed sale was served upon him and was posted by him for a period of 60 days in accordance with the provisions of clause (1) of subsection (a) and that no offer was received in accordance with clause (2) of such subsection, when filed and recorded in the office of the county clerk and recorder of the

county in which such lands are situated shall be conclusive evidence of compliance with this section. The superintendent shall furnish the certificate to the purchaser for filing and recording.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

**CORRECTION OF CLERICAL ERROR IN ACT OF JANUARY 16, 1883**

The bill (H. R. 6552) to correct a clerical error in section 2 of the act of January 16, 1883, an act to regulate and improve the civil service of the United States as amended by Public Law 425, Eighty-first Congress, was announced as next in order.

Mr. HENDRICKSON. Reserving the right to object, may we have an explanation of this bill?

Mr. LEAHY. Mr. President, in the first session of the Eighty-first Congress, in the passage of Public Law 425 an error was made in connection with certain requirements for applicants for appointment under the civil-service law. It was intended to refer to the legal or voting residences of applicants. By error the bill as passed used the words "legal voting residence." The word "or" should have appeared between the word "legal" and the word "voting." The bill has the approval of the Civil Service Commission. There was evidently an error, and this bill corrects the error.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the bill (H. R. 6552) to correct a clerical error in section 2 of the act of January 16, 1883, an act to regulate and improve the civil service of the United States, as amended by Public Law 425, Eighty-first Congress, was considered, ordered, to a third reading, read the third time, and passed.

**PROMOTIONS OF CERTAIN VETERANS IN FIELD SERVICE OF POST OFFICE DEPARTMENT**

The bill (H. R. 87) relating to the promotion of veterans of World War II in the field service of the Post Office Department was announced as next in order.

Mr. LUCAS. Mr. President, may that bill go to the foot of the calendar?

The VICE PRESIDENT. Without objection, the bill will be placed at the foot of the calendar.

Mr. LUCAS subsequently said: Mr. President, while we are returning to previous bills, a little while ago I requested that Calendar No. 1516, House bill 87, go to the foot of the calendar. I made that request on behalf of a Senator who thought he would object to the bill. I now find that the objection has been withdrawn, and I ask that the bill be considered.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. I wonder whether the Senator from Illinois is able to tell us how much this bill will cost?

Mr. LUCAS. I know nothing about the cost. The bill was handled by the Committee on Post Office and Civil Service. Perhaps a Senator who is familiar

with it can give us an explanation. I am not familiar with the bill. I merely asked that it go to the foot of the calendar at the request of a Senator who thought he would object to it. He has now withdrawn his objection. Apparently no Senator had intended to object to it at the time it was called.

Mr. HENDRICKSON. The Senator from New Jersey would like to have an explanation of the bill in the RECORD, and some indication as to its cost.

Mr. MAGNUSON. The report sets forth, on a percentage basis, an estimate of the additional amount it would cost to cover these extra postal workers. On a percentage basis it is estimated that the additional cost for the first year, if H. R. 87 were enacted, would be approximately as follows: July 1, 1947, \$8,266,000; July 1, 1948, \$13,946,000; July 1, 1949, \$18,896,000; July 1, 1950, \$23,621,000. Thus it can be seen, with the cut-off date as the bill passed the House, the estimated cost for the first year would be \$23,621,000.

Mr. HENDRICKSON. I thank the Senator for the explanation.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 87) relating to the promotion of veterans of World War II in the field service of the Post Office Department was considered, ordered, to a third reading, read the third time, and passed.

**PATENT IN FEE TO BETTY LITTLE WHITE MAN**

The Senate proceeded to consider the bill (S. 2552) to authorize and direct the Secretary of the Interior to issue to Betty Little White Man a patent in fee to certain land, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That the Secretary of the Interior is hereby authorized to sell the trust allotment No. 4534 of Bettie Morrison, now Betty Little White Man, Pine Ridge allottee, described as the southeast quarter of section 32, township 37 north, range 36 west, sixth principal meridian, South Dakota, containing one hundred and sixty acres, conveyance to be made by deed or the issuance of a patent in fee to the purchaser and to disburse the proceeds of such sale to Betty Little White Man for her benefit.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the sale of certain allotted lands on the Pine Ridge Reservation, S. Dak."

**PATENT IN FEE TO JULIA TWO CROW**

The Senate proceeded to consider the bill (S. 2551) to authorize and direct the Secretary of the Interior to issue to Julia Two Crow a patent in fee to certain land, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That the Secretary of the Interior is hereby authorized to sell the trust allotment No. 4533 of Julia Poor Bear Two Crow, Pine Ridge allottee, described as the northeast quarter

of section 32, township 37 north, range 36 west, sixth principal meridian, South Dakota, containing one hundred and sixty acres, conveyance to be made by deed or the issuance of a patent in fee to the purchaser and to disburse the proceeds of such sale to Julia Poor Bear Two Crow for her benefit.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the sale of certain allotted land on the Pine Ridge Reservation, S. Dak."

**USE BY INDIANS OF CERTAIN SURPLUS PROPERTY AT WINGATE ORDNANCE DEPOT, N. MEX.**

The bill (H. R. 5556) to make available for Indian use certain surplus property at the Wingate Ordnance Depot, N. Mex., was considered, ordered to a third reading, read the third time, and passed.

**BILL PASSED OVER**

The bill (S. 3049) to amend the Agricultural Adjustment Act of 1938, as amended, was announced as next in order.

Mr. HENDRICKSON. Mr. President, I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

**AUTHORIZATION ON CERTAIN LOANS**

The Senate proceeded to consider the bill (S. 2996) to authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation, which was read as follows:

*Be it enacted, etc.* That paragraph (2) of the first section of the act of April 6, 1949 (Public Law 38, 81st Cong.), is amended to read as follows:

"(2) loans to make available in any area or region credit of a type formerly made available in such area or region by the Corporation if the Secretary finds that there is a continued need for such credit and that such credit is not readily available from other sources; and."

Mr. HENDRICKSON. Mr. President, I send to the desk an amendment to this bill.

The VICE PRESIDENT. The Senator from New Jersey offers an amendment which will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

That (a) paragraph (2) of subsection (a) of the first section of the act of April 6, 1949 (Public Law 38, 81st Cong.), is amended to read as follows:

"(2) loans to make available to the owners or operators of established farms in any area or region, upon their full personal liability and such reasonable security as may be determined by the Secretary, credit of a type which, beginning in 1941, was made available in such area or region by the Corporation, if the Secretary finds that there is a continued need for such credit and such credit is not readily available from other sources; except that no such loan shall be made (A) after 3 years after the enactment of the 1950 Amendment to Public Law 38, (B) to any one borrower at any one time in excess of \$10,000, (C) which would increase the total indebtedness of any one borrower under this paragraph to an amount exceeding \$20,000 (in-

cluding principal and accrued interest), and (D) which would increase the aggregate principal amount of the loans outstanding under this paragraph at any one time to an amount exceeding \$2,000,000."

(b) This act may be cited as the "1950 Amendment to Public Law 38."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Jersey.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. HENDRICKSON. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point a statement with reference to the bill which has just been passed.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HENDRICKSON

This bill, S. 2996, is sponsored by the senior Senator from Washington, and according to the committee report it was designed to meet a specific situation in what is called the Wenatchee-Okanogan area in his State. The justification for some action by the Senate stems from the fact that there arose a misunderstanding between the senior Senator from Washington and the junior Senator from New Mexico when the bill, which is now Public Law 38, was being discussed on the floor of the Senate March 18, 1949.

The bill then under consideration was H. R. 2101 entitled "An act to abolish the Regional Agricultural Credit Corporation of Washington, D. C. and transfer its functions to the Secretary of Agriculture to authorize the Secretary of Agriculture to make disaster loans, and for other purposes." That measure was designed primarily to alleviate a serious situation then confronting farmers and stockmen resulting from severe snow and storm conditions of the preceding winter.

Senators will recall that this act transferred all of the functions of RACC to the Secretary of Agriculture and abolish the Corporation as such. The senior Senator from Washington was interested in insuring that in this transfer, authority to make loans to apple growers in the Wenatchee-Okanogan area under certain limited conditions would be continued.

On page 2816 of the March 18 RECORD there appears the following colloquy (the senior Senator from Washington said):

"Mr. President, reserving the right to object, I should like to ask the Senator from New Mexico a question regarding RACC. Under this proposed legislation could the type of loan ordinarily made in the apple area be made?"

"Mr. ANDERSON. Yes; it could.

"Mr. MAGNUSON. So there will be a broader agency to which to go; is that correct?

"Mr. ANDERSON. They will be able to use the regular agency."

A few minutes later the following colloquy took place as recorded on page 2817 of the March 18 RECORD:

"Mr. MAGNUSON. Mr. President, reserving the right to object, I want to ask the Senator from New Mexico one further question. If there should occur in the Wenatchee area a similar situation, could the same type of loan be made under the terms of this bill as was made under RACC?"

"Mr. ANDERSON. Exactly."

It developed after H. R. 2101 became Public Law 38 that the Solicitor of the Department of Agriculture contended that the terms of the bill would not permit the agency to re-enter the Wenatchee-Okanogan apple-growing district and complete the job it started in 1941. That is the reason—that is the justification for having this bill before us today.

I think the language of the bill as reported by the committee is broader than it needs to be to accomplish the limited objectives intended. I, therefore, send to the desk an amendment in the nature of a substitute. Here are the main differences between the substitute and the bill as reported by the committee:

First, it makes the borrowers personally liable for the amount of the loan and authorizes the Secretary to demand reasonable security.

Second, it limits the sphere in which this type of credit may be extended to those areas that RACC served "beginning in 1941".

Third, it limits the life of this program to 3 years.

Fourth, the substitute places a \$10,000 limit on the amount of each individual loan and a \$20,000 limit on the amount that may be outstanding at any one time to any one borrower.

Fifth, it places an over-all limitation on this type of loan of \$2,000,000.

In my judgment this language is much more precise. I have talked this over with the Senator from Washington, and he is agreeable to the changes in language I am suggesting.

ACCEPTANCE OF CERTAIN BUILDINGS  
AND IMPROVEMENTS

The bill (H. R. 829) to authorize the Secretary of Agriculture to accept buildings and improvements constructed and affected by the Buffalo Rapids Farms Association on project lands in the Buffalo Rapids water conservation and utilization project and canceling certain indebtedness of the association and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

EXCHANGE OF LAND IN PLUMAS COUNTY,  
CALIF.

The bill (H. R. 4641) to authorize the Secretary of Agriculture to accept title to certain land owned or to be acquired by the county of Plumas, State of California, and in exchange therefor to convey to Plumas County certain land owned by the United States in said county was announced as next in order.

Mr. HENDRICKSON. Mr. President, may we have an explanation of the bill?

Mr. KNOWLAND. Mr. President, this bill involves an exchange of land in Plumas County, Calif. If the Senator from New Jersey will look at the committee report he will find that at the present time an airport has been developed and maintained by the forest service of the county, primarily for the purpose of fire patrol. The service will still be able to use the airport. However, it is not felt it is economical for them to maintain the airport, and in exchange for that, the county is making available to the forest service lands for certain of their other services. I think there is a fair quid pro quo in this exchange.

Mr. HENDRICKSON. I thank the Senator.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT

The bill (S. 3330) to amend the Civil Service Retirement Act of May 29, 1930, as amended, so as to provide an order of

precedence for lump-sum death payments and for other purposes was announced as next in order.

The VICE PRESIDENT. There is on the calendar an identical House bill which the clerk will state by title.

The LEGISLATIVE CLERK. A bill (H. R. 7866) to amend the Civil Service Retirement Act of May 29, 1930, as amended, so as to provide an order of precedence for lump-sum death payments, and for other purposes.

The VICE PRESIDENT. Is there objection to the present consideration of the House bill?

There being no objection, the bill (H. R. 7866) was considered, ordered to a third reading, read the third time, and passed.

The VICE PRESIDENT. Without objection, Senate bill 3330 is indefinitely postponed.

AMENDMENT OF CLASSIFICATION ACT OF 1949

The bill (S. 3413) to amend the Classification Act of 1949 to make it inapplicable to postal employees of the Panama Canal, was announced as next in order.

The VICE PRESIDENT. Is there objection to the consideration of an identical House bill which the clerk will state by title?

The LEGISLATIVE CLERK. A bill (H. R. 7888) to amend the Classification Act of 1949 to make it inapplicable to postal employees of the Panama Canal.

The VICE PRESIDENT. Is there objection to the present consideration of the House bill?

There being no objection, the bill (H. R. 7888) was considered, ordered to a third reading, read the third time, and passed.

Mr. HENDRICKSON. Mr. President, I ask unanimous consent to have included in the RECORD at this point an explanation of the bill.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

MEMORANDUM TO SENATOR HENDRICKSON RE  
CALENDAR NO. 1526 (ALSO CALENDAR NO.  
1542), WITH RESPECT TO POSTAL EMPLOYEES  
AT THE PANAMA CANAL

It is my information that when the Classification Act of 1949 was being considered, the question was raised as to whether to include within that act District of Columbia and Panama Canal firemen, policemen and teachers, as well as postal employees in the field and at the Panama Canal. It apparently was decided at that time not to do so since all of the classifications which have been excluded and which have been mentioned in the report accompanying Calendar No. 1526 were contained in the Classification Act of 1949. I am further informed that it was the intent to exclude from that act also not only postal employees in the field, but also postal employees at Panama Canal. Through some inadvertence, the latter group was omitted. This bill is designed to correct the situation.

The VICE PRESIDENT. Without objection, Senate bill 3413 is indefinitely postponed.

BOUNDARY BETWEEN GREAT SMOKY MOUNTAINS NATIONAL PARK AND CHEROKEE - PISGAH - NANTAHALA NATIONAL FOREST

The Senate proceeded to consider the bill (H. R. 5866) to adjust and define the

boundary between the Great Smoky Mountains National Park and the Cherokee - Pisgah - Nantahala National Forest, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with an amendment on page 1, line 5, after the word "the", to insert "Cherokee-", and in the same line, after the name "Nantahala", to strike out "-Cherokee."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

**CONVEYANCE OF CERTAIN LANDS IN THE STATE OF MINNESOTA**

The Senate proceeded to consider the bill (S. 2397) authorizing the Secretary of the Interior to convey certain land in the State of Minnesota to Signa M. Lodoen and Nels R. Lodoen, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 3, line 9, after "section 26", to insert a colon and the following proviso: "Provided, That in said quitclaim deed it shall be expressed that there is reserved to the United States from the lands so quitclaimed any right-of-way thereon necessary for the management of adjoining property owned by the United States", so as to make the bill read:

*Be it enacted, etc.*, That the Secretary of the Interior is authorized and directed to convey by quitclaim deed to Signa M. Lodoen and Nels R. Lodoen, all right, title, and interest of the United States in and to the following-described tract of land in Becker County, Minnesota, which was mistakenly included in a conveyance to the United States executed on January 12, 1938: Eighty-six one-hundredths acre in Government lot 3 located in the northwest quarter of the southwest quarter of section 25, township 142 north, range 39 west of the fifth principal meridian in Becker County, Minnesota, and forty-eight one-hundredths acre in the northeast quarter of the southeast quarter of section 26, township and range aforesaid, described as follows:

Beginning at an iron pipe at a point which bears south twenty-six minutes east two and five-tenths chains from the quarter corner common to said sections 25 and 26; thence running north seventy-six degrees thirty-four minutes east three hundred and nine feet; thence north thirteen degrees twenty-eight minutes west ninety-four and two-tenths feet to a point on the north line of said northwest quarter of the southwest quarter of section 25; thence south eighty-nine degrees forty-three minutes west two hundred and eighty-one feet to the northwest corner of said northwest one-quarter southwest one-quarter; thence continuing south eighty-nine degrees fifty-two minutes west one hundred and twenty-three feet along the north line of the northeast quarter of the southeast quarter of afore-mentioned section 26; thence running south four degrees nineteen minutes west one hundred eighty-two and five-tenths feet; thence north eighty-one degrees thirty-four minutes east one hundred forty and three-tenths feet to the point of beginning and there terminating, together with the right of ingress and egress to the above-described premises over and across a strip of land one rod in width and whose center line is located as follows, to wit:

Beginning at a point on the westerly line of the above-described tract at a point forty-

four and four-tenths feet from the northwest corner thereof, thence running north eighty-two degrees eleven minutes west two hundred ninety-one and five-tenths feet to intersect the north line of the aforementioned northeast quarter of the southeast quarter of section 26: *Provided*, That in said quitclaim deed it shall be expressed that there is reserved to the United States from the lands so quitclaimed any right-of-way thereon necessary for the management of adjoining property owned by the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

**OFFICIAL PAPERS RELATING TO THE TERRITORIES OF THE UNITED STATES**

The bill (S. 2348) to increase the annual authorization for the appropriation of funds for collecting, editing, and publishing of official papers relating to the Territories of the United States was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the act of July 31, 1945 (59 Stat. 510; U. S. C. 168d), is hereby amended by deleting the amount of "\$80,000" contained therein and inserting in lieu thereof "\$50,000."

**STORY OF AVIATION ON HISTORICAL FRIEZE OF CAPITOL**

The Senate proceeded to consider the joint resolution (H. J. Res. 21) to provide for the utilization of a part of the unfinished portion of the historical frieze in the rotunda of the Capitol to portray the story of aviation, which had been reported from the Committee on Rules and Administration with amendments on page 1, line 4, after the word "utilization", to strike out "of a part"; in line 6, after the word "Capitol", to strike out "to portray the story of aviation in the United States." and insert "including the small isolated section added in 1917-1918, to complete the history up to the beginning of the twentieth century, including the portrayal of (1) the Civil War, (2) the Spanish-American War, and (3) the birth of aviation in the United States.); on page 2, line 1, after the word "design", to strike out "which appropriately depicts such story, including the portrayal of the all-important achievements of Wilbur Wright and Orville Wright", and insert "depicting such events"; in line 4, after the word "such", to insert "artist or artists", and in line 5, after the word "committee", to strike out "their."

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The title was amended, so as to read: "Joint resolution to provide for the utilization of the unfinished portion of the historical frieze in the rotunda of the Capitol to portray (1) the Civil War, (2) the Spanish-American War, and (3) the birth of aviation in the United States."

**COMPUTATION OF CERTAIN COSTS OF TEACHING PERSONNEL, ETC.**

The bill (H. R. 7057) to amend Veterans Regulation No. 1 (a) with respect

to the computation of estimated costs of teaching personnel and supplies for instruction in the case of college of agriculture and the mechanic arts and other nonprofit educational institutions was considered, ordered to a third reading, read the third time, and passed.

**CARMENCITA VON PLETTENBERG**

The bill (S. 3459) for the relief of Carmencita Von Plettenberg was announced as next in order.

**THE VICE PRESIDENT.** Is there objection to the present consideration of the bill?

**MR. HENDRICKSON.** Mr. President, reserving the right to object, I think this bill requires an explanation.

**MR. McCARRAN.** Mr. President, there is a companion bill to this bill, House bill 8422, Calendar No. 1786, which should be considered instead of the Senate bill.

This is a bill in which the Senator from Mississippi [Mr. EASTLAND] has been interested. It is my understanding questions have been raised by the minority policy committee, and that amendments have been worked out which are satisfactory both to the Senator from Mississippi and to the minority policy committee.

The amendments which originated in the Senate minority policy committee have been incorporated in the House companion measure, as reported from the House Committee on the Judiciary. In that connection, I wish to call the attention of the Senate to House Report 2157, which is an excellent explanation of the issues raised and the amendments.

The companion House bill, H. R. 8422, was passed by the House of Representatives on Tuesday, June 6. Since this House bill already embodies the amendments proposed by the Senate minority calendar committee, which I am advised are acceptable to the sponsor of the bill, I now ask unanimous consent that this House bill may be substituted for the pending Senate bill, with a view to passing it without amendment.

**THE VICE PRESIDENT.** Is there objection to the consideration of the House bill?

There being no objection, the bill (H. R. 8422) for the relief of Carmencita von Plettenberg, was considered, ordered to a third reading, read the third time, and passed.

**MR. HENDRICKSON.** I wish to thank the Senator from Nevada for his explanation.

**THE VICE PRESIDENT.** Without objection, Senate bill 3459 will be indefinitely postponed.

**DIXIE MARGARINE CO.**

**MR. MCKELLAR.** Mr. President, earlier in the day when I requested that Calendar No. 321, Senate bill 1086, for the relief of the Dixie Margarine Co., Memphis, Tenn., be considered, the Senator from New Jersey [Mr. HENDRICKSON], at the request of the Senator from Kansas [Mr. SCHOEPPEL], asked that it go over, which was done. I have talked to the Senator from Kansas on the telephone, and he has withdrawn his objection. I now ask unanimous consent that the bill be considered.





81ST CONGRESS  
2D SESSION

# S. 2996

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IN THE HOUSE OF REPRESENTATIVES

JUNE 13, 1950

Referred to the Committee on Agriculture

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## AN ACT

To authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That (a) paragraph (2) of subsection (a) of the first  
4       section of the Act of April 6, 1949 (Public Law 38, Eighty-  
5       first Congress), is amended to read as follows:

6               “(2) loans to make available to the owners or  
7       operators of established farms in any area or region,  
8       upon their full personal liability and such reasonable  
9       security as may be determined by the Secretary, credit  
10      of a type which, beginning in 1941, was made avail-



1       able in such area or region by the Corporation, if the  
2       Secretary finds that there is a continued need for such  
3       credit and such credit is not readily available from other  
4       sources; except that no such loan shall be made (A)  
5       after three years after the enactment of the 1950  
6       Amendment to Public Law 38, (B) to any one bor-  
7       rower at any one time in excess of \$10,000, (C) which  
8       would increase the total indebtedness of any one bor-  
9       rower under this paragraph to an amount exceeding  
10      \$20,000 (including principal and accrued interest), and  
11      (D) which would increase the aggregate principal  
12      amount of the loans outstanding under this paragraph  
13      at any one time to an amount exceeding \$2,000,000.”  
14      (b) This Act may be cited as the “1950 Amendment  
15      to Public Law 38”.

Passed the Senate June 8 (legislative day, June 7),  
1950.

Attest:

LESLIE L. BIFFLE,

*Secretary.*



81<sup>ST</sup> CONGRESS  
2<sup>D</sup> SESSION

**S. 2996**

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## **AN ACT**

To authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

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JUNE 13, 1950

Referred to the Committee on Agriculture





## LOANS SERVICED BY REGIONAL AGRICULTURAL CREDIT CORPORATION

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JULY 24, 1950.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. COOLEY, from the Committee on Agriculture, submitted the following

### RE P O R T

[To accompany H. R. 8613]

The Committee on Agriculture, to whom was referred the bill (H. R. 8613) to authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation, having considered the same, report favorably thereon with an amendment and recommend that the bill do pass.

The amendment is as follows:

Strike out all after the enacting clause and substitute in lieu thereof the following:

That (a) paragraph (2) of subsection (a) of the first section of the Act of April 6, 1949 (Public Law 38, Eighty-first Congress), is amended to read as follows:

“(2) loans to make available to the owners or operators of established farms in any area or region, upon their full personal liability and such reasonable security as may be determined by the Secretary, credit of a type which, beginning in 1941, was made available in such area or region by the Corporation, if the Secretary finds that there is a continued need for such credit and such credit is not readily available from other sources; except that no such loan shall be made (A) after three years after the enactment of the 1950 Amendment to Public Law 38, (B) to any one borrower at any one time in excess of \$10,000, (C) which would increase the total indebtedness of any one borrower under this paragraph to an amount exceeding \$20,000 (including principal and accrued interest), and (D) which would increase the aggregate principal amount of the loans outstanding under this paragraph at any one time to an amount exceeding \$2,000,000.”

(b) This Act may be cited as the “1950 Amendment to Public Law 38”.

### STATEMENT

The purpose of this bill is to make loan funds already existing in the Department of Agriculture available on a limited scale to fruit growers in areas where such loans have previously been made. The funds are

## 2 LOANS SERVICED BY REGIONAL AGRICULTURAL CREDIT CORPORATION

now being used to make other types of loans, including loans to fur farmers and loans in areas where a production disaster has occurred, but the previous authority to make the type of loans authorized here has expired. The bill H. R. 8613, as referred to the committee, was similar to the bill (S. 2996) which had already passed the Senate and was also before the committee but differed in some minor details. In order to expedite the authority for these loans, which are urgently needed, the House bill has been amended by striking out everything after the enacting clause and inserting in lieu thereof the language of the Senate bill.

The report of the Senate Committee on Agriculture and Forestry on S. 2996, including a letter from the Department of Agriculture, is printed herewith and made a part of this report. Following is the text of the Senate report:

This proposed legislation would authorize loans only in areas formerly serviced by RACC, in which there is now a need for credit which cannot be readily obtained. The need for loans in the aggregate amount to approximately \$1,000,000 in this particular area. The loans would be made from the revolving fund under Public Law 38, Eighty-first Congress. The administrative expenses would be paid from the same fund, and this legislation would require no independent appropriation.

Public Law 38, Eighty-first Congress, dissolved the Regional Agricultural Credit Corporation, and transferred all assets and liabilities of the Corporation to the Secretary of Agriculture. The funds transferred constitute a revolving fund created under the Farm Credit Act of 1933, as amended. Public Law 38, made these funds available for loans to (1) bona fide fur farmers, (2) so-called disaster loans, (3) liquidation of outstanding loans of RACC, and (4) loans to farmers and stockmen for any agricultural purpose in any area where the Secretary of Agriculture finds that a production disaster has caused need for agricultural credit not readily available from other sources. Public Law 38 has principally been used in connection with disaster loans.

There are certain areas which have not suffered a recent production disaster but in which the farmers are in need of credit not readily available from cooperatives or private sources on terms and conditions which were formerly served by RACC.

A copy of the report of the Department of Agriculture, dated April 4, 1950, and having no objection to the passage of this legislation, is attached hereto and made a part of said report.

DEPARTMENT OF AGRICULTURE,  
Washington, D. C., April 4, 1950.

Hon. ELMER THOMAS,

*Chairman, Committee on Agriculture and Forestry,*

*United States Senate.*

DEAR SENATOR THOMAS: This is in response to your request for a report from this Department on S. 2996, entitled "A bill to authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation." This Department has no objection to the enactment of the proposed legislation.

Public Law 38, Eighty-first Congress, approved April 6, 1949, dissolved the Regional Agricultural Credit Corporation of the District of Columbia and transferred all of the assets and liabilities of the Corporation to the Secretary of Agriculture. The funds transferred constituted a revolving fund under the provisions of section 84 of the Farm Credit Act of 1933, as amended (12 U. S. C. 1148 (a)). The act of April 6, 1949, made those funds available for (1) loans to bona fide fur farmers; (2) "loans under authorization by the Secretary for the Regional Agricultural Credit Corporation of Washington, District of Columbia, to reenter an area or region where a production disaster has occurred as provided for in the proviso in section 2 of the Department of Agriculture Appropriation Act of 1949"; (3) for the liquidation of outstanding loans of the Regional Agricultural Credit Corporation of Washington, District of Columbia; and (4) for loans to farmers and stockmen for any agricultural purpose in any area where the Secretary finds that a production disaster has caused a need for agricultural credit not readily available from other sources.

Since the enactment of Public Law 38, the principal use of the revolving fund has been in connection with disaster loans described in item 4 above. There are, however, certain areas which have not suffered a recent production disaster in which the farmers are in need of credit not readily available from cooperative or private sources on reasonable terms and conditions which were formerly served by the Regional Agricultural Credit Corporation. An outstanding example of this type of situation is in the Wenatchee-Okanogan area of the State of Washington. In 1941 following several seasons of unprofitable operations, the fruit growers in this area were without an adequate source of credit to continue their operation. The Regional Agricultural Credit Corporation of Salt Lake City, Utah, later merged with the Regional Agricultural Credit Corporation of Washington, District of Columbia, made loans to these growers from 1941 to 1946 in excess of \$34,000,000. These individual loans were all repaid and the fruit growers began the establishment of a cooperative source of credit by purchasing stock in the Growers' Credit Corporation. There are at this time, however, between 250 and 300 fruit growers in the area who are unable to purchase the necessary qualifying shares of stock and who do not have the required reserve of operating capital to be eligible for loans from the cooperative credit source. Since this plan of the growers for providing themselves with adequate and continuing source of credit was for the purpose of avoiding the necessity of reliance on Federal financing in the future, it may be said that the present need for credit is one which has continued since the Regional Agricultural Credit Corporation first entered the area. It might also be said that the fact that the plan has not been completely successful is due in part to the withdrawal from the area of Regional Agricultural Credit Corporation loans before the growers' own source of credit was firmly established.

It will be noted that the growers in this area have not suffered from any production disaster nor can these growers generally be said to be in an economic emergency. Under the proviso in section 2 of the Department of Agriculture Appropriation Act of 1949, the Regional Agricultural Credit Corporation was authorized to reenter an area where an economic emergency or production disaster had occurred, but when Public Law 38 was enacted there was eliminated from item 2 of section 2 thereof the phrase "economic emergency." The result was to limit the Secretary of Agriculture's authority to reenter an area formerly served by the regional Agricultural Credit Corporation to those areas or regions where credit was formerly made available by reasons of a production disaster. We believe that the types of cases illustrated above are as worthy of consideration for the extension of credit as those formerly served by the Regional Agricultural Credit Corporation because of a production disaster.

We construe the proposed legislation to authorize loans only in areas formerly served by the Regional Agricultural Credit Corporation in which there is now a need for credit which cannot readily be obtained from other sources only if there has been a continuing need for the type of credit formerly made available by the Regional Agricultural Credit Corporation. In other words, the Secretary would not be authorized under this amendment to make loans in areas where loans were formerly made by reason of drought or economic emergency unless the present need for credit is a need which has continued from the time when the Regional Agricultural Credit Corporation last made credit available in the area. So administered, the bill may be said to authorize the completion of a task previously undertaken by the Regional Agricultural Credit Corporation.

At the present time, there appears to be a need for loans in the aggregate amount of approximately \$1,000,000 in the Wenatchee-Okanogan area which would be made from the revolving fund administered by the Secretary under Public Law 38, if the amendment is enacted. The administrative expenses for such loans are also to be paid from the revolving fund. The bill would, therefore, require no independent appropriation.

The Bureau of the Budget advises that from the viewpoint of the President's program there is no objection to the submission of this report.

Sincerely yours,

K. T. HUTCHINSON, *Acting Secretary.*

#### CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes made by the bill are shown as follows (existing law proposed to be omitted is enclosed in brackets;

## 4 LOANS SERVICED BY REGIONAL AGRICULTURAL CREDIT CORPORATION

new matter is printed in italic; existing law in which no change is proposed is shown in roman):

[PUBLIC LAW 38—81ST CONGRESS]

[CHAPTER 49—1ST SESSION]

[H. R. 2101]

AN ACT To abolish the Regional Agricultural Credit Corporation of Washington, District of Columbia, and transfer its functions to the Secretary of Agriculture, to authorize the Secretary of Agriculture to make disaster loans, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there are hereby transferred to the Secretary of Agriculture (hereinafter referred to as the Secretary) all the functions of the Regional Agricultural Credit Corporation of Washington, District of Columbia, including but not limited to functions with respect to—*

(1) loans to bona fide fur farmers as provided for in the last proviso in the paragraph headed "Regional Agricultural Credit Corporation of Washington, District of Columbia," in title II of the Government Corporations Appropriation Act, 1949 (Public Law 860, Eightieth Congress);

[(2) loans under authorization by the Secretary for the Regional Agricultural Credit Corporation of Washington, District of Columbia, to reenter an area or region where a production disaster has occurred, as provided for in the proviso in section 2 of the Department of Agriculture Appropriation Act, 1949 (Public Law 712, Eightieth Congress); and]

(2) loans to make available to the owners or operators of established farms in any area or region, upon their full personal liability and such reasonable security as may be determined by the Secretary, credit of a type which, beginning in 1941, was made available in such area or region by the Corporation, if the Secretary finds that there is a continued need for such credit and such credit is not readily available from other sources; except that no such loan shall be made (A) after three years after the enactment of the 1950 Amendment to Public Law 38, (B) to any one borrower at any one time in excess of \$100,000, (C) which would increase the total indebtedness of any one borrower under this paragraph to an amount exceeding \$20,000 (including principal and accrued interest), and (D) which would increase the aggregate principal amount of the loans outstanding under this paragraph at any one time to an amount exceeding \$2,000,000.

(3) the liquidation of all other loans heretofore made by the Regional Agricultural Credit Corporation of Washington, District of Columbia, and of all assets, contracts, property, claims, rights, and liabilities relating thereto.

(b) There are hereby transferred to the Secretary the functions of the Farm Credit Administration and the Governor thereof with respect to the Regional Agricultural Credit Corporation of Washington, District of Columbia.

(c) The Regional Agricultural Credit Corporation of Washington, District of Columbia, is hereby dissolved. The Secretary of the Treasury shall cancel the outstanding certificates of stock of the Corporation.

(d) All assets, funds, contracts, property, claims, and rights, all records, and all liabilities of the Corporation are hereby transferred to the Secretary. The revolving fund created by section 84 of the Farm Credit Act of 1933, as amended (12 U. S. C. 1148a), shall be available to the Secretary for the performance of the functions specified in paragraphs (a) (1), (2), and (3) of the section, including administrative expenses in connection therewith: *Provided*, That for the fiscal year 1949 the limitations on the administrative expenses of the Corporation with respect to the said functions shall be applicable to the Secretary.

(e) All personnel of the Corporation (excluding personnel of the Farm Credit Administration serving as directors or officers of the Corporation), and such of the personnel of the Farm Credit Administration as are engaged principally in the work of the Corporation, shall be transferred to the offices or agencies designated by the Secretary to carry out the functions herein transferred, to the extent that he determines that such personnel are qualified and necessary therefor.

(f) The Secretary may carry out the functions herein transferred and the authority conferred upon him by this act through such officers or agencies in or under the Department of Agriculture as he may designate.

\* \* \* \* \*



# Union Calendar No. 954

81ST CONGRESS  
2D SESSION

# H. R. 8613

[Report No. 2715]

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## IN THE HOUSE OF REPRESENTATIVES

MAY 23, 1950

Mr. HORAN introduced the following bill; which was referred to the Committee on Agriculture

JULY 24, 1950

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

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## A BILL

To authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       *That paragraph 2, section 1, of the Act of April 6, 1949*  
4       *(Public Law 38, Eighty-first Congress), is amended to read*  
5       *as follows: "Loans to make available to the owners or op-*  
6       *erators of established farms in any area or region, credit of*  
7       *a type formerly made available in such area or region by*  
8       *the Corporation, if the Secretary finds that there is a con-*  
9       *tinued need for such credit and such credit is not readily*  
10      *available from other sources: *Provided*, That no such loan*

1 shall be made after a period of five years from effective date  
2 of this Act and that no single loan to any one borrower shall  
3 exceed \$10,000, and no loan shall be made to a borrower  
4 which will create a total indebtedness of principal and  
5 accrued interest under this Act in excess of \$20,000, and  
6 the aggregate of the outstanding principal obligations under  
7 this paragraph at any one time shall not exceed \$2,000,000;  
8 and".

9 That section 2 (a) of the Act of April 6, 1949, is  
10 amended by adding after the second sentence of said sub-  
11 section the following: "All loans made under this Act shall  
12 carry the full personal liability of the borrower and shall be  
13 reasonably secured by such security as may be determined by  
14 the Secretary."

15 That (a) paragraph (2) of subsection (a) of the first  
16 section of the Act of April 6, 1949 (Public Law 38, Eighty-  
17 first Congress), is amended to read as follows:

18 "(2) loans to make available to the owners or  
19 operators of established farms in any area or region,  
20 upon their full personal liability and such reasonable  
21 security as may be determined by the Secretary, credit  
22 of a type which, beginning in 1941, was made avail-

1       able in such area or region by the Corporation, if the  
2       Secretary finds that there is a continued need for such  
3       credit and such credit is not readily available from other  
4       sources; except that no such loan shall be made (A)  
5       after three years after the enactment of the 1950  
6       Amendment to Public Law 38, (B) to any one bor-  
7       rower at any one time in excess of \$10,000, (C) which  
8       would increase the total indebtedness of any one bor-  
9       rower under this paragraph to an amount exceeding  
10      \$20,000 (including principal and accrued interest), and  
11      (D) which would increase the aggregate principal  
12      amount of the loans outstanding under this paragraph  
13      at any one time to an amount exceeding \$2,000,000."

14      (b) This Act may be cited as the "1950 Amendment  
15      to Public Law 38".

81<sup>st</sup> CONGRESS  
2d SESSION

**H. R. 8613**

[Report No. 2715]

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## A BILL

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To authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

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By Mr. HORAN

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MAY 23, 1950

Referred to the Committee on Agriculture

JULY 24, 1950

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed





United States Coast Guard seaplane and a Public Health Service physician who was flying with the plane to accept from the British Ministry of Transport a piece of plate and a cigarette case, tendered in recognition of service rendered in recovering an injured seaman from the British vessel.

Mr. MARTIN of Massachusetts. Does the gentleman know whether there was any precedent for these gifts?

Mr. BYRNES of Wisconsin. I do not know. The only information I have is what I get from the report, because the Treasury Department has apparently approved the bill and the Justice Department had no comment to make thereon.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That Commander John R. Kurcheski, United States Coast Guard, is hereby authorized to accept such gift as has been tendered him as of the date of the approval of this act by the Greenland administration in appreciation of services rendered certain distressed motor schooners of the Greenland administration; and that the following-named members and former members of the United States Coast Guard and United States Public Health Service are hereby authorized to accept such gifts as have been tendered them as of the date of approval of this act by the Government of Great Britain in appreciation of services rendered in removing an injured seaman from the British vessel *Silver Sandal* for treatment ashore: Lt. (jg) Charles Ethelbert Mac Dowell, United States Coast Guard; Lt. (jg) Rufus Sizer Drury, United States Coast Guard; Senior Assistant Surgeon (Reserve) Pasquale Joseph Ciccone, United States Public Health Service; Ralph Oscar Douglas, chief aviation machinist's mate, United States Coast Guard; Leo Ira Thompson, chief aviation machinist's mate, United States Coast Guard; Richard Lewis Hall, aviation electronicsman, first class, United States Coast Guard; Quincy Carl Frazier, aviation electronicsman, first class, United States Coast Guard; Jack Henry McElvea, aviation ordnanceman, second class, United States Coast Guard; Walter Lamar Pierce, aviation structural mechanic, second class, United States Coast Guard; and Wade Columbus Midkiff, seaman, United States Coast Guard. The Department of State is hereby authorized to deliver to the above-mentioned persons the gifts tendered them by the administration of Greenland and the Government of Great Britain, respectively.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### BOUNDARY ADJUSTMENTS OF BADLANDS NATIONAL MONUMENT, S. DAK.

The Clerk called the bill (H. R. 7342) to provide for boundary adjustments of the Badlands National Monument, in the State of South Dakota, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That in order to establish a more appropriate boundary for the Badlands National Monument and to consolidate Federal land ownership therein, the Secretary of the Interior, in his discretion, is authorized to adjust and to redefine the exterior boundaries of the national monument by appropriate reductions or additions

of land: *Provided*, That the total acreage of the national monument, as revised pursuant to this act, shall not exceed its present area of approximately 154,119 acres.

Sec. 2. The revision of boundaries of the national monument, as authorized in sections 1 and 5 of this act, shall be accomplished by the issuance, by the Secretary of the Interior, of an appropriate order, or orders, such order or orders to be effective upon publication in the Federal Register: *Provided*, That federally owned land under the administrative jurisdiction of any other department or agency of the Federal Government shall be included within the monument only with the approval of the head of such department or agency.

Sec. 3. Administrative jurisdiction over all Federal lands eliminated from the monument, by the issuance of an order or orders of the Secretary of the Interior, is hereby transferred to the Secretary of Agriculture for use, administration, and disposition in accordance with the provisions of title III of the Bankhead-Jones Farm Tenant Act and the related provisions of title IV thereof: *Provided*, That all of such lands formerly set apart and reserved from the public domain shall be subject to the mining and minerals-leasing laws: *And provided further*, That any disposition of any such lands formerly set apart and reserved from the public domain shall be evidenced by patents issued by the Secretary of the Interior.

Sec. 4. In order that exchanges of land may be effected for the purposes of this act, the Secretary of the Interior is authorized, in his discretion, to accept, on behalf of the United States, title to any land or interests in land within the exterior boundaries of the Badlands National Monument as revised pursuant to this act, and, in exchange therefor, with the approval, and concurrence of the Secretary of Agriculture, the Secretary of the Interior may patent lands of approximately equal value which were formerly set apart and reserved from the public domain within the Badlands Fall River soil conservation project, SD-LU-1. In effectuating such exchanges, in lieu of conveyances by the Secretary of the Interior, the Secretary of Agriculture may convey lands of approximately equal value within said project which have been acquired heretofore by the United States. All such exchanges shall, in all other respects, be considered as exchanges under the provisions of section 32c, title III, of the Bankhead-Jones Farm Tenant Act and shall otherwise be in accordance with the provisions of said act, except that, upon acceptance of title to any lands so acquired by the United States under this section, such lands and any other lands acquired otherwise by the United States within the monument boundaries shall be a part of that area. In consummating land exchanges hereunder upon an equitable basis, patents and instruments of conveyance may be issued, and property may be accepted, by the United States, subject to such reservations as may be necessary or in the public interest.

Sec. 5. Not to exceed four thousand acres of the Pine Ridge Indian Reservation in the Sheep Mountain area thereof adjacent to the monument may be included within the national monument by one of the following methods subject to the approval of any Federal agency holding leases with respect to such lands: (a) with the consent of the Tribal Council of the Oglala Sioux Tribe of Indians of the Pine Ridge Reservation, State of South Dakota, and on such terms and conditions as are mutually satisfactory to the said tribal council and to the Secretary of the Interior; or (b) with the consent of the said tribal council, through the conveyance by the Secretary of the Interior to the said Oglala Sioux Tribe of Indians of private lands within the said Indian reservation, which he is hereby authorized to acquire in such manner and through such agency

of the Department of the Interior as he may deem advisable, in exchange for tribal lands of approximately equal value within the area authorized to be included by this section within the national monument. The Secretary is authorized to execute such deeds or other instruments as may be necessary to effectuate the purposes of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### REPEAL OF CERTAIN LAWS AFFECTING THE TERRITORY OF ALASKA

The Clerk called the bill (H. R. 8158) to repeal certain laws as they affect the Territory of Alaska.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That hereafter section 1890 of the Revised Statutes (48 U. S. C., sec. 1490), and section 26 of the act of March 3, 1897 (24 Stat. 641 48 U. S. C., sec. 1480a), shall not be applicable to the Territory of Alaska.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### SALE OF CERTAIN INDIAN LANDS SOUTH AND EAST OF THE TONGUE RIVER IN MONTANA

The Clerk called the bill (H. R. 8463) to authorize the sale of certain small tracts of Indian land lying to the south and east of the Tongue River in the State of Montana.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Interior or his duly authorized representative is hereby authorized, with the consent of the Indian owners, to sell certain small tracts of tribal and allotted lands of the Northern Cheyenne Reservation, lying south and east of the Tongue River in the State of Montana. Conveyance shall be made to the purchaser either by properly executed deeds or the issuance of patents in fee. The proceeds from the sale of the tribal lands shall be used by the Northern Cheyenne Tribe to acquire other lands, either Indian or white owned, or interests therein, on the west side of Tongue River within the boundaries of the Northern Cheyenne Reservation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### LOANS BY REGIONAL AGRICULTURAL CREDIT CORPORATION

The Clerk called the bill (H. R. 8613) to authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, will the gentleman explain what kind of loans are contemplated by this bill?

Mr. HORAN. Mr. Speaker, this bill would make it possible for the Farmers Home Administration to reach with responsible loans an area not now being reached in productive agriculture in the

United States. The limitations of Public Law 38 which established the Farmers Home Administration and incorporated into that the RACC were of such nature that the Farmers Home Administration could not function as it should in serving producers who, by the nature of their operations require larger blocks of credit to produce a crop.

These will be responsible loans and will be fully repayable to the United States Government, with interest.

Mr. BYRNES of Wisconsin. Can the gentleman give me an example of the type of loan?

Mr. HORAN. Most of the loans will be in an area where production costs are greater than in the field crop type of farming; it will be for fruit growing, fur farming, and in some instances livestock raising.

Mr. BYRNES of Wisconsin. Mr. Speaker, I withdraw my reservation of objection.

Mr. FORD. Mr. Speaker, reserving the right to object, I should like to have some further information on the kind of loans. Within the State of Michigan this last year we have had an excessive cherry crop, an excessive peach crop, and an excessive apple crop. Can the gentleman tell me whether or not when the Federal Government went in to make purchases in those instances the money came out of this fund or out of Commodity Credit, or some other fund?

Mr. HORAN. If I follow the gentleman correctly, there is some confusion as to what constitutes a production loan and what constitutes purchases for the school-lunch program or price-support program and things of that sort.

These are production loans, and they have no relationship to purchases for the school-lunch program, and so forth.

Mr. FORD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. HORAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill, S. 2996, to authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation, an identical bill which has already passed the Senate, and substitute it for the House bill.

The Clerk read the title of the bill.

Mr. COOLEY. Mr. Speaker, reserving the right to object, and I shall not, I concur in the request of the gentleman from Washington that the Senate bill be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington that the Senate bill be considered in lieu of the House bill?

There being no objection, the Clerk read the Senate bill, as follows:

*Be it enacted, etc.*, That (a) paragraph (2) of subsection (a) of the first section of the act of April 6, 1949 (Public Law 38, 81st Cong.), is amended to read as follows:

"(2) loans to make available to the owners or operators of established farms in any area or region, upon their full personal

liability and such reasonable security as may be determined by the Secretary, credit of a type which, beginning in 1941, was made available in such area or region by the Corporation, if the Secretary finds that there is a continued need for such credit and such credit is not readily available from other sources; except that no such loan shall be made (A) after 3 years after the enactment of the 1950 amendment to Public Law 38, (B) to any one borrower at any one time in excess of \$10,000, (C) which would increase the total indebtedness of any one borrower under this paragraph to an amount exceeding \$20,000 (including principal and accrued interest), and (D) which would increase the aggregate principal amount of the loans outstanding under this paragraph at any one time to an amount exceeding \$2,000,000."

(b) This act may be cited as the "1950 amendment to Public Law 38."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 8613) was laid on the table.

#### ~~ADDITIONAL ASSISTANT SECRETARIES OF AGRICULTURE~~

The Clerk called the bill (H. R. 8850) to establish two additional offices of Assistant Secretaries of Agriculture and Office of an Administrative Assistant Secretary of Agriculture, and for other purposes.

Mr. H. CARL ANDERSEN. Mr. Speaker, reserving the right to object, this would appear to be adding three top officials to the Department of Agriculture in one action. It would appear to me, too, that they will ask us for approximately \$100,000 a year to staff these particular offices. In view of that fact and in view of the present war condition we are in, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

#### ~~CONFERRING JURISDICTION ON THE COURTS OF NEW YORK WITH RESPECT TO CIVIL ACTIONS BETWEEN INDIANS OR TO WHICH INDIANS ARE PARTIES~~

The Clerk called the bill (S. 192) to confer jurisdiction on the courts of the State of New York with respect to civil actions between Indians or to which Indians are parties.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. O'SULLIVAN. Mr. Speaker, I object.

Mr. MORRIS. Mr. Speaker, I have two amendments to this bill and I ask unanimous consent that they may be reported for the information of the House, if the gentleman will withhold his objection for the moment.

Mr. O'SULLIVAN. Mr. Speaker, I withhold my objection for the moment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. MORRIS: Page 1, line 9, beginning with the word "That" strike all language extending through the

word "issue" on page 2, line 8, and insert in lieu thereof the following: "That full faith and credit shall be given by such courts to all treaties between the United States and any recognized tribe or tribes of Indians in the State of New York, and in all actions and proceedings with respect to tribal laws and customs between and among reservation Indians full faith and credit shall also be given by such courts to the tribal laws and customs of such tribe or tribes."

Page 3, line 5, before the period, insert a colon and add the following: "Provided further, That nothing herein contained shall be construed as conferring jurisdiction on the courts of the State of New York or making applicable the laws of the State of New York in civil actions involving Indian lands or claims with respect thereto which relate to transactions or events transpiring prior to the effective date of this act."

Mr. MORRIS. Mr. Speaker, I would like to make an explanation following the reading of the proposed amendments. The gentleman from Nebraska will see that the rights of the Indians in regard to any treaties that might have heretofore been made are fully respected by reason of these amendments. There has been objection on the part of some Indians, I would say most of them, maybe all of them that we have heard from in regard to this matter, and the objections, as I recall, all center around the thought that the Indians want to preserve their treaty rights that have heretofore been entered into, most of them many years ago, entered into with the great United States of America.

These amendments will preserve those rights. Then in addition thereto they will preserve their right to go into the United States courts in regard to claims that they might have growing out of any transactions in regard to land dealings and so forth, with the State of New York. In other words, Mr. Speaker, I believe that these particular amendments are such that there really can be no real objection now.

Mr. O'SULLIVAN. This act merely transfers to the State of New York courts the right to determine certain controversies, some of which have been adversely determined in the Federal courts. As I understand it, the objection is that the State of New York is now trying to add an additional forum of their own choosing so that they can try these cases in their own courts instead of in the Federal courts. The trials they had in the Federal courts were not satisfactory, so they want to take them into a court where they can get a little better deal.

Mr. MORRIS. If the gentleman please, may I make this suggestion. This amendment is very short and I will just read it to you, and I think it answers the objection:

*Provided further, That nothing herein contained shall be construed as conferring jurisdiction on the courts of the State of New York or making applicable the laws of the State of New York in civil actions involving Indian lands or claims with respect thereto which relate to transactions or events transpiring prior to the effective date of this act.*

Mr. O'SULLIVAN. With that in they do not need the law at all. They can go into the Federal court in the first instance, like they have done in the past,





[PUBLIC LAW 665—81ST CONGRESS]

[CHAPTER 592—2D SESSION]

[S. 2996]

AN ACT

To authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) paragraph (2) of subsection (a) of the first section of the Act of April 6, 1949 (Public Law 38, Eighty-first Congress), is amended to read as follows:

“(2) loans to make available to the owners or operators of established farms in any area or region, upon their full personal liability and such reasonable security as may be determined by the Secretary, credit of a type which, beginning in 1941, was made available in such area or region by the Corporation, if the Secretary finds that there is a continued need for such credit and such credit is not readily available from other sources; except that no such loan shall be made (A) after three years after the enactment of the 1950 Amendment to Public Law 38, (B) to any one borrower at any one time in excess of \$10,000, (C) which would increase the total indebtedness of any one borrower under this paragraph to an amount exceeding \$20,000 (including principal and accrued interest), and (D) which would increase the aggregate principal amount of the loans outstanding under this paragraph at any one time to an amount exceeding \$2,000,000.”

(b) This Act may be cited as the “1950 Amendment to Public Law 38”.

Approved August 5, 1950.

